

AGENT SERVICES

DATE: February 24, 2011

TO: All Licensed Insurers Writing Long-Term Care Insurance
All Resident Insurance Producers Authorized to Sell, Solicit or Negotiate Long-Term Care Insurance
All Approved Continuing Education Providers

FROM: Etta P. Maynard, Deputy Commissioner

RE: Producer Training – Policies Issued Under Qualified State Long-Term Care Insurance Partnership (“Qualified Partnership”)

The Deficit Reduction Act of 2005, Pub. L. 109-171 (“the DRA”) allows for the expansion of Qualified Partnerships. Session Law 2010-68, i.e. Senate Bill 1193, authorized the establishment of the North Carolina Long-Term Care Partnership Program. Implementation of the Long-Term Care Partnership Program was approved on January 6, 2011 by the Center for Medicare Services. The marketing of qualified LTCP policies may begin March 7, 2011.

The DRA and the State Medicaid Director’s Letter (SMDL #06-019) dated July 27, 2006, issued by Centers for Medicare & Medicaid Services, require the North Carolina Department of Insurance to provide assurance that any producer who sells, solicits or negotiates “a policy under a Partnership receives training and demonstrates an understanding of Partnership policies and their relationship to public and private coverage to long-term care.”

Accordingly, an individual may not sell, solicit or negotiate long-term care insurance unless the individual is authorized as an insurance producer for accident and health or sickness and Medicare supplement/long term care and has completed a one-time training course by or before March 7, 2012 and ongoing training every 24 months thereafter.

Insurers providing LTC insurance shall obtain verification that the producer receives such training, maintains records subject to the state’s record retention requirements and make that verification available to the Department upon request. The one time training course shall be no less than 8 hours and the ongoing training shall be no less than 4 hours.

Training shall cover the following topics: long-term care insurance, long-term care services, Qualified Partnerships, and the relationship between Qualified Partnerships and other public and private coverage of long-term care. The satisfaction of these training requirements in any state shall be deemed to satisfy the training requirements in North Carolina.

The Department has filed revisions to the continuing education rules (11 NCAC 06A. 0801(12) (13), 6A. 0809(h), 06A. 0814 effective March 1, 2011) such that these training requirements may be approved as insurance continuing education (CE) courses. These are posted at http://www.ncdoi.com/asd/asd_LegislativeChanges.asp. In addition, we have posted FAQ’s concerning LTC Partnership training/education for agents and CE providers on the Department’s website at http://www.ncdoi.com/asd/asd_faq.asp.

If you have any questions please contact Prometric, the Insurance Continuing Education Administrator at (866) 241-3121 or Agent Services Division at (919) 807-6800.